1 2 3 4 5 UNITED STATES DISTRICT COURT EASTERN DISTRICT OF WASHINGTON 6 7 In Re: NO: CV-12-422-RMP 8 LLS AMERICA, LLC, Bankr. Case No. 09-06194-PCW11 9 Debtor, 10 Adv. Proc. No. 11-80094-PCW11 BRUCE P. KRIEGMAN, solely in his capacity as court-appointed Chapter 11 **DEFAULT JUDGMENT** 11 Trustee for LLS America, LLC, 12 Plaintiff, 13 V. 14 ZDENEK SLANINA and VERA SLANINA, 15 Defendants. 16 17 THIS COURT, having previously entered an Order of Default against 18 Defendants Zdenek and Vera Slanina, ECF No. 14, and having reviewed the 19 previously filed Memorandum of Authorities, ECF No. 5, and the Affidavits of 20

DEFAULT JUDGMENT ~ 1

Curtis Frye and Daniel J. Gibbons in Support of Plaintiff's Motion to Default Judgment filed herewith, and being fully advised in the premises,

IT IS HERBY ORDERED, ADJUDGED, AND DECREED that the Plaintiff, Bruce P. Kriegman, solely in his capacity as court-appointed Chapter 11 Trustee for LLS America, LLC, shall have a judgment against Defendants Zdenek Slanina and Vera Slanina as follows:

- 1. Monetary Judgment in the amount of CAD \$2,075,109.78 pursuant to 11 U.S.C. §§ 550 and RCW 19.40.071;
- 2. Transfers in the amount of CAD \$1,017,314.57 made to Defendants within four years prior to the Petition Filing Date are hereby avoided and Plaintiff may take all necessary action to preserve the same, pursuant to 11 U.S.C. §§ 544, 550 and 551 and 548(a) and (b) and RCW 19.40.041(1) and (2) and 19.40.071;
- 3. Transfers in the amount of CAD \$1,057,795.21 made to Defendants more than four years prior to the Petition Filing Date are here avoided and Plaintiff may take all necessary action to preserve the same, pursuant to 11 U.S.C. §§ 544, 550 and 551, and RCW 19.40.041(1) and 19.40.071;
- 4. All said transfers to Defendants Zdenek and Vera Slanina are hereby set aside and Plaintiff shall be entitled to recover the same, or the value thereof, from Defendants Zdenek and Vera Slanina for the benefit of the estate of LLS America, pursuant to 11 U.S.C. §§ 544, 550 and 551;

- 5. All proofs of claim of the Defendants which have been filed or brought or which may hereafter be filed or brought by, on behalf of, or for the benefit of Defendants Zdenek and Vera Slanina or their affiliated entities, against the Debtor's estate, in this bankruptcy or related bankruptcy proceedings, are hereby disallowed and subordinated to the monetary judgment granted herein and Defendants Zdenek and Vera Slanina shall not be entitled to collect on their proofs of claim (Claim No. 70-1) until the monetary judgment is satisfied by Defendants Zdenek and Vera Slanina in full, pursuant to 11 U.S.C. §§ 502(d), 510(c)(1) and 105(a);
- 6. A constructive trust is hereby established over the proceeds of all transfers in favor of the Trustee for the benefit of the estate of LLS America; and
- 7. Plaintiff is hereby awarded costs (i.e. filing fees) in the amount of \$250.00 USD, for a total judgment of CAD \$2,075,109.75, plus \$250 USD, which shall bear interest equal to the weekly average of one-year constant maturity (nominal) treasury yield as published by the Federal Reserve System.

The District Court Clerk is directed to enter this Order, enter judgment as outlined above, and provide copies to counsel.

DATED this 7th day of December 2012.

s/Rosanna Malouf PetersonROSANNA MALOUF PETERSONChief United States District Court Judge